

STATE OF IDAHO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended

JUNE 30, 1997

COMBINING FINANCIAL STATEMENTS AND SCHEDULES



“VIEW OF SUN VALLEY AND KETCHUM FROM BALD MOUNTAIN”

photo courtesy of Sun Valley/Ketchum Chamber of Commerce

Central and Southcentral Idaho ~ In the center of Idaho is Sun Valley, America's first destination ski resort ~ Gushing down steep canyon walls into the river below, hundreds of natural springs are the namesake of the Thousand Springs Scenic Byway. The Source of this water is the Snake River Plains aquifer, one of the largest ground water systems ~ South of Burley is the surreal world of the City of Rocks, where granite spires loom some 60 stories high ~ Shoshone Falls drops 212 feet, 52 feet farther than Niagara Falls.

STATE OF IDAHO

SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS account for specific revenues designated to finance specific functions of government. The following provides a brief description of significant special revenue funds.

The FISH AND GAME FUND accounts for revenues and expenditures associated with enforcing and administering the fish and game laws in Idaho and to perpetuate and manage the State's wildlife resources. Funding is provided from dedicated user fees and federal grants.

The HEALTH AND WELFARE FUND accounts for revenues and expenditures associated with administering public assistance, medical care, foster care, child support enforcement, and other relief to the eligible citizens of Idaho. Funding is provided from the General Fund, federal grants, dedicated user fees, and various other sources.

The TRANSPORTATION FUND accounts for revenues and expenditures associated with highway construction and maintenance. Funding is provided from motor vehicle related taxes and user fees, as well as various federal highway administration funds.

The FEDERAL FUND accounts for a portion of the revenues and expenditures associated with federal grants received by the State. Federal grants are also included in the Fish and Game Fund, Health and Welfare Fund, and Transportation Fund.

The REGULATORY FUND accounts for revenues and expenditures associated with various professional licensing and monitoring functions. The major source of funding is license fees.

The AGRICULTURE AND NATURAL RESOURCES FUND accounts for revenues and expenditures associated with the maintenance, preservation, and regulation of the State's parks, water, and agricultural resources. Funding is provided from dedicated user fees, sales of services or goods, federal grants, and various other sources.

The MISCELLANEOUS FUND accounts for revenues, expenditures, and other financial activities associated with general governmental services where the major source of funding is provided by fees, sale of services or goods, federal grants, or other income restricted to expenditure for specific purposes. The Miscellaneous Fund includes the State Building Authority which was created by Idaho Code to construct and finance facilities such as office buildings and parking garages to be used by the State.

State of Idaho
Combining Balance Sheet
Special Revenue Funds
June 30, 1997

	Fish and Game	Health and Welfare	Transportation	Federal	Regulatory	Agriculture and Natural Resources	Miscellaneous	Total
Assets								
Cash and Cash Equivalents	\$8,351,204	\$47,547,044	\$85,310,223	\$2,784,228	\$37,923,932	\$58,196,385	\$34,489,424	\$274,602,440
Investments	4,872,220	3,764,823	210,957		376,506	8,222,700	7,634,497	25,081,703
Accounts Receivable, Net	119,463	3,188,893	19,427,073	13,225	172,617	2,347,705	1,302,608	26,571,584
Due from Other Funds		61,345	474,407		50,356	173,363	177,173	1,128,769
Due from Other Governments	2,610,230	67,005,947	22,748,370	16,032,799		13,270	83,139	108,493,755
Notes and Mortgages Receivable		49,508,949			24,030	7,951,166		57,484,145
Other Assets				20,919	23,725	2,661,266	500	2,706,410
Total Assets	\$15,953,117	\$171,077,001	\$128,171,030	\$19,043,296	\$38,571,166	\$79,565,855	\$43,687,341	\$496,068,806
Liabilities and Fund Balances								
Liabilities								
Accounts Payable and Other Liabilities	\$3,386,694	\$98,566,631	\$47,716,968	\$10,709,064	\$1,618,226	\$2,663,162	\$3,927,674	\$168,588,419
Deposits	7,500	1,891,391	210,957			6,692,938		8,802,786
Due to Other Funds	156,980	842,252	471,687	820,453	109,231	277,176	119,824	2,797,603
Due to Other Governments						1,105		1,105
Deferred Revenue	459,860	13,384	2,405,355	923,086	344,929	7,347,039	217,408	11,711,061
Total Liabilities	4,011,034	101,313,658	50,804,967	12,452,603	2,072,386	16,981,420	4,264,906	191,900,974
Fund Balance								
Reserved for Encumbrances	2,576,481	189,709	43,126,983	1,910,972	336,163	3,665,495	1,272,555	\$3,078,358
Reserved for Loans and Notes		49,508,949			24,030	7,951,166		57,484,145
Unreserved Fund Balance	9,365,602	20,064,685	34,239,080	4,679,721	36,138,587	50,967,774	38,149,880	193,605,329
Total Fund Balance	11,942,083	69,763,343	77,366,063	6,590,693	36,498,780	62,584,435	39,422,435	304,167,832
Total Liabilities and Fund Balances	\$15,953,117	\$171,077,001	\$128,171,030	\$19,043,296	\$38,571,166	\$79,565,855	\$43,687,341	\$496,068,806

State of Idaho
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Fiscal Year Ended June 30, 1997

	Fish and Game	Health and Welfare	Transportation	Federal	Regulatory	Agriculture and Natural Resources	Miscellaneous	Total
Revenues								
Sales Tax		\$4,800,000	\$2					\$4,800,002
Other Taxes		9,262,167	234,262,536		\$47,629,443	\$30,826,160	\$16,169,551	328,149,857
Licenses, Permits and Fees	\$22,887,863	6,876,287	53,016,275	\$202	26,048,974	24,963,829	942,240	134,735,670
Sale of Services, Goods and Property	819,684	11,131,931	8,931,876	649,593	230,896	6,630,768	9,351,234	37,745,982
Grants and Contributions	18,806,317	515,852,064	151,687,960	183,135,274	59,675	3,390,364	3,546,732	876,478,386
Interest and Other Investment Income	708,639	1,322,132	3,648,729	30,472	525,749	4,201,988	1,138,264	11,575,973
Rent and Lease Income	27,691	87,958	418,829		15,019	773,648	5,821,541	7,144,686
Miscellaneous Income	1,944,568	4,478,701	260,370	135,883	1,747,580	1,676,166	5,073,782	15,317,050
Total Revenues	45,194,762	553,811,240	452,226,577	183,951,424	76,257,336	62,462,923	42,043,344	1,415,947,606
Expenditures								
Current								
General Government		18,000,330		297,957	1,084,506	1,109,731	11,824,484	32,317,008
Public Safety and Corrections				15,125,215			20,710,264	35,835,479
Agriculture and Economic Development	100,000	793,945		47,076,013	27,352,999	28,227,459	13,787,991	117,338,407
Natural Resources	39,252,536	24,787,906		3,339,024	453,946	14,149,029	1,066,382	83,048,823
Health		584,481,952						584,481,952
Education		30,928		11,008,098			4,195,698	15,234,724
Human Services		139,070,832		672,104		331,352	89,543	140,163,831
Transportation			242,946,559			848,412		243,794,971
Capital Outlay	4,012,908	8,451,250	168,093,671	4,062,377	776,793	3,343,046	2,096,905	190,836,950
Intergovernmental		28,447,744	3,064,540	93,809,454		5,021,885	7,974,500	138,318,123
Total Expenditures	43,365,444	804,064,887	414,104,770	175,390,242	29,668,244	53,030,914	61,745,767	1,581,370,268
Revenues Over (Under) Expenditures								
	1,829,318	(250,253,647)	38,121,807	8,561,182	46,589,092	9,432,009	(19,702,423)	(165,422,662)
Other Financing Sources (Uses)								
Operating Transfers In		230,531,917	803,049	162,422	6,387,788	50,001	19,533,858	257,469,035
Operating Transfers Out		(376,730)	(12,355,985)	(6,286,356)	(50,601,663)	(2,696,817)	(223,195)	(72,540,746)
Total Other Financing Sources (Uses)		230,155,187	(11,552,936)	(6,123,934)	(44,213,875)	(2,646,816)	19,310,663	184,928,289
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses								
	1,829,318	(20,098,460)	26,568,871	2,437,248	2,375,217	6,785,193	(391,760)	19,505,627
Fund Balances - Beginning of Year, as Adjusted								
	10,112,765	89,861,803	50,797,192	4,153,445	34,123,563	55,799,242	39,814,195	284,662,205
Fund Balances - End of Year	\$11,942,083	\$69,763,343	\$77,366,063	\$6,590,693	\$36,498,780	\$62,584,435	\$39,422,435	\$304,167,832

State of Idaho
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Budgetary Basis) - Special Revenue Funds
All Budgeted Funds
For the Fiscal Year Ended June 30, 1997

	Fish and Game			Health and Welfare			Transportation		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues									
Sales Tax				\$4,800,000	\$4,800,000		\$2	\$2	
Premium Tax									
Other Taxes				9,261,481	9,261,481		234,731,618	234,731,618	
Licenses, Permits and Fees	\$23,104,594	\$23,104,594		6,713,705	6,713,705		52,863,070	52,863,070	
Sales of Services, Goods and Property	710,602	710,602		18,713,887	18,713,887		8,647,429	8,647,429	
Interest and Other Investment Income	700,608	700,608		1,742,944	1,742,944		3,648,729	3,648,729	
Miscellaneous Income	20,790,153	20,790,153		480,788,059	480,788,059		144,700,475	144,700,475	
Total Revenues	45,305,957	45,305,957		\$22,020,076	\$22,020,076		444,591,323	444,591,323	
Expenditures									
General Government				23,360,187	20,321,834	\$3,038,353			
Human Services				183,241,229	152,215,258	31,025,971			
Public Safety and Corrections									
Health				577,680,664	534,857,697	42,822,967			
Education				98,132	67,204	30,928			
Natural Resources	61,199,324	43,457,327	\$17,741,997	57,581,544	35,178,089	22,403,455			
Agriculture and Economic Development	100,000	100,000		886,020	869,495	16,525			
Transportation							486,225,517	403,363,615	\$82,861,902
Total Expenditures	61,299,324	43,557,327	17,741,997	842,847,776	743,509,577	99,338,199	486,225,517	403,363,615	82,861,902
Revenues Over (Under) Expenditures	(\$15,993,367)	1,748,630	\$17,741,997	(\$320,827,700)	(221,489,501)	\$99,338,199	(\$41,634,194)	41,227,708	\$82,861,902
Other Financing Sources (Uses)									
Operating Transfers In		0			230,531,917			803,049	
Operating Transfers Out		0			(376,730)			(12,355,985)	
Total Other Financing Sources (Uses)		0			230,155,187			(11,552,936)	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses		1,748,630			8,665,686			29,674,772	
Reconciling Items									
Changes Effected by Accrued Revenues		(111,195)			31,791,164			7,635,254	
Changes Effected by Accrued Expenditures		191,883			(60,555,310)			(10,741,155)	
Funds Not Annually Budgeted									
Fund Balances - Beginning of Year, as Adjusted		10,112,765			89,861,803			50,797,192	
Fund Balances - End of Year		\$11,942,083			\$69,763,343			\$77,366,063	

State of Idaho
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Budgetary Basis) - Special Revenue Funds
All Budgeted Funds
For the Fiscal Year Ended June 30, 1997

	Federal			Regulatory			Agriculture and Natural Resources		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues									
Sales Tax									
Premium Tax				\$47,202,138	\$47,202,138				
Other Taxes				319,595	319,595		\$7,056,670	\$7,056,670	
Licenses, Permits and Fees				25,658,343	25,658,343		21,778,334	21,778,334	
Sales of Services, Goods and Property	\$338,673	\$338,673		225,356	225,356		7,117,675	7,117,675	
Interest and Other Investment Income	30,472	30,472		525,628	525,628		3,727,641	3,727,641	
Miscellaneous Income	176,763,236	176,763,236		753,942	753,942		2,896,101	2,896,101	
Total Revenues	<u>177,132,381</u>	<u>177,132,381</u>		<u>74,685,002</u>	<u>74,685,002</u>		<u>42,576,421</u>	<u>42,576,421</u>	
Expenditures									
General Government	473,726	291,335	\$182,391				1,828,368	1,206,270	\$622,098
Human Services	5,926,938	5,275,976	650,962						
Public Safety and Corrections	26,850,576	20,037,677	6,812,899						
Health									
Education	100,184,739	83,199,931	16,984,808						
Natural Resources	6,084,501	3,999,034	2,085,467	666,100	451,943	\$214,157	34,165,888	22,134,028	12,031,860
Agriculture and Economic Development	68,932,884	61,246,762	7,686,122	31,009,064	28,513,673	2,495,391	14,600,097	11,662,408	2,937,689
Transportation							1,600,000	673,791	926,209
Total Expenditures	<u>208,453,364</u>	<u>174,050,715</u>	<u>34,402,649</u>	<u>31,675,164</u>	<u>28,965,616</u>	<u>2,709,548</u>	<u>52,194,353</u>	<u>35,676,497</u>	<u>16,517,856</u>
Revenues Over (Under) Expenditures	<u>(\$31,320,983)</u>	<u>3,081,666</u>	<u>\$34,402,649</u>	<u>\$43,009,838</u>	<u>45,719,386</u>	<u>\$2,709,548</u>	<u>(\$9,617,932)</u>	<u>6,899,924</u>	<u>\$16,517,856</u>
Other Financing Sources (Uses)									
Operating Transfers In		162,422			6,387,788			50,001	
Operating Transfers Out		(6,286,356)			(50,601,663)			(2,696,817)	
Total Other Financing Sources (Uses)		<u>(6,123,934)</u>			<u>(44,213,875)</u>			<u>(2,646,816)</u>	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses		<u>(3,042,268)</u>			<u>1,505,511</u>			<u>4,253,108</u>	
Reconciling Items									
Changes Effected by Accrued Revenues		6,819,043			487,467			2,508,053	
Changes Effected by Accrued Expenditures		(1,339,527)			381,878			(249,898)	
Funds Not Annually Budgeted					361			273,930	
Fund Balances - Beginning of Year, as Adjusted		<u>4,153,445</u>			<u>34,123,563</u>			<u>55,799,242</u>	
Fund Balances - End of Year		<u>\$6,590,693</u>			<u>\$36,498,780</u>			<u>\$62,584,435</u>	

State of Idaho
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Budgetary Basis) - Special Revenue Funds
All Budgeted Funds
For the Fiscal Year Ended June 30, 1997

	Miscellaneous			Total		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Sales Tax				\$4,800,002	\$4,800,002	
Premium Tax	\$6,332,718	\$6,332,718		53,534,856	53,534,856	
Other Taxes	6,714,264	6,714,264		258,083,628	258,083,628	
Licenses, Permits and Fees	9,066,030	9,066,030		139,184,076	139,184,076	
Sales of Services, Goods and Property	6,764,080	6,764,080		42,517,702	42,517,702	
Interest and Other Investment Income	645,325	645,325		11,021,347	11,021,347	
Miscellaneous Income	7,018,893	7,018,893		833,710,859	833,710,859	
Total Revenues	<u>36,541,310</u>	<u>36,541,310</u>		<u>1,342,852,470</u>	<u>1,342,852,470</u>	
Expenditures						
General Government	5,532,251	5,387,698	\$144,553	31,194,532	27,207,137	\$3,987,395
Human Services	173,664	87,881	85,783	189,341,831	157,579,115	31,762,716
Public Safety and Corrections	25,319,393	22,722,646	2,596,747	52,169,969	42,760,323	9,409,646
Health				577,680,664	534,857,697	42,822,967
Education	8,051,549	6,697,113	1,354,436	108,334,420	89,964,248	18,370,172
Natural Resources	5,159,671	4,172,125	987,546	164,857,028	109,392,546	55,464,482
Agriculture and Economic Development	18,901,638	16,299,182	2,602,456	134,429,703	118,691,520	15,738,183
Transportation				487,825,517	404,037,406	83,788,111
Total Expenditures	<u>63,138,166</u>	<u>55,366,645</u>	<u>7,771,521</u>	<u>1,745,833,664</u>	<u>1,484,489,992</u>	<u>261,343,672</u>
Revenues Over (Under) Expenditures	<u>(\$26,596,856)</u>	<u>(18,825,335)</u>	<u>\$7,771,521</u>	<u>(\$402,981,194)</u>	<u>(141,637,522)</u>	<u>\$261,343,672</u>
Other Financing Sources (Uses)						
Operating Transfers In		19,533,858			257,469,035	
Operating Transfers Out		(223,195)			(72,540,746)	
Total Other Financing Sources (Uses)		<u>19,310,663</u>			<u>184,928,289</u>	
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses		485,328			43,290,767	
Reconciling Items						
Changes Effected by Accrued Revenues		(645,082)			48,484,704	
Changes Effected by Accrued Expenditures		197,587			(72,114,542)	
Funds Not Annually Budgeted		(429,593)			(155,302)	
Fund Balances - Beginning of Year, as Adjusted		<u>39,814,195</u>			<u>284,662,205</u>	
Fund Balances - End of Year		<u>\$39,422,435</u>			<u>\$304,167,832</u>	



This page intentionally left blank.

STATE OF IDAHO

ENTERPRISE FUNDS

ENTERPRISE FUNDS account for the operations of state agencies that provide goods or services to the general public and finance their operations through user charges. The following provides a brief description of the significant enterprise funds.

The CORRECTIONAL INDUSTRIES FUND provides employment for prisoners of the Idaho State Prison. Correctional Industries manufactures and sells a variety of items including license plates, furniture, highway signs, printing services, dairy and meat products, and other miscellaneous products and services.

The LIQUOR DISPENSARY FUND was established by the Legislature in 1939. The Dispensary's purpose is to conduct, license, and regulate the sale of alcoholic beverages. Funding is provided through the sale of products. The surplus from the fund is transferred to the State's General Fund, the Public School Income Fund, and other funds as dictated by Idaho Code. The balance, after the above authorized transfers, is then distributed 40% to counties and 60% to cities.

The STATE LOTTERY was established by the Legislature in 1988. The State Lottery's purpose is to adopt rules and regulations governing the establishment and operation of lottery games, ensure its integrity, and to maximize the net income of the lottery for the benefit of the State. Annually the State Lottery's surplus net income is distributed evenly between state buildings and public schools.

The PETROLEUM CLEAN WATER TRUST provides pollution liability insurance to eligible owners and operators of petroleum storage tanks.

The STATE INSURANCE FUND provides workers' compensation insurance to the general public as well as the various state entities.

State of Idaho
Combining Balance Sheet
Enterprise Funds
June 30, 1997

	Correctional Industries	Liquor Dispensary	State Lottery	Petroleum Clean Water Trust	State Insurance Fund	Total
Assets						
Cash and Cash Equivalents	\$1,407,118	\$5,147,443	\$18,183,605	\$2,130,919	\$29,636,578	\$56,505,663
Investments				35,171,891	357,464,017	392,635,908
Accounts Receivable, Net	155,986	42,669	977,445	530,403	6,249,221	7,955,724
Due from Other Funds	429,441					429,441
Grand Prizes Receivable			93,992,010			93,992,010
Other Assets	818,930	4,582,907	3,387,008	48,156	3,761,458	12,598,459
Fixed Assets, Net	1,491,725	426,867	1,236,855		6,231,907	9,387,354
Total Assets	\$4,303,200	\$10,199,886	\$117,776,923	\$37,881,369	\$403,343,181	\$573,504,559
Liabilities and Fund Equity						
Liabilities						
Accounts Payable and Other Liabilities	\$397,305	\$5,617,389	\$6,005,514	\$1,108,400	\$57,607,073	\$70,735,681
Deposits		11,000			26,241,909	26,252,909
Due to Other Funds	1,186	4,260				5,446
Grand Prizes Payable			93,992,010			93,992,010
Policy Claim Liabilities				5,364,625	144,966,095	150,330,720
Total Liabilities	398,491	5,632,649	99,997,524	6,473,025	228,815,077	341,316,766
Fund Equity						
Retained Earnings:						
Unreserved	3,904,709	4,567,237	17,779,399	31,408,344	174,528,104	232,187,793
Total Fund Equity	3,904,709	4,567,237	17,779,399	31,408,344	174,528,104	232,187,793
Total Liabilities and Fund Equity	\$4,303,200	\$10,199,886	\$117,776,923	\$37,881,369	\$403,343,181	\$573,504,559

State of Idaho
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Enterprise Funds
For the Fiscal Year Ended June 30, 1997

	Correctional Industries	Liquor Dispensary	State Lottery	Petroleum Clean Water Trust	State Insurance Fund	Total
Operating Revenues						
Licenses, Permits and Fees		\$510		\$84,825		\$85,335
Sale of Services, Goods and Property	\$5,990,971	55,787,124	\$86,983,909		\$129,422,032	278,184,036
Miscellaneous Income	140,238	17,982	662,245	3,238	1,466,167	2,289,870
Total Operating Revenues	6,131,209	55,805,616	87,646,154	88,063	130,888,199	280,559,241
Operating Expenses						
Personnel Costs	1,608,572	4,994,838	1,859,855			8,463,265
General and Administrative	288,554	349,191	10,082,708	1,246,824	17,244,504	29,211,781
Travel	29,817	46,735				76,552
Supplies	2,530,970	30,517,313	2,026,764			35,075,047
Insurance, Utilities and Rent	201,719	1,522,138	883,431			2,607,288
Dividends to Policyholders					53,776,978	53,776,978
Miscellaneous	469,174	1,253,929	340,058			2,063,161
Depreciation	186,978	29,269	722,163	3,990	643,091	1,585,491
Awards, Contributions and Claims			53,322,732	18,119	55,434,252	108,775,103
Payment as Agent		11,455,049				11,455,049
Total Operating Expenses	5,315,784	50,168,462	69,237,711	1,268,933	127,098,825	253,089,715
Operating Income (Loss)	815,425	5,637,154	18,408,443	(1,180,870)	3,789,374	27,469,526
Nonoperating Revenues (Expenses)						
Interest Income	62,609	335,287				397,896
Investment Income				2,252,818	31,731,858	33,984,676
Loss on Sale of Fixed Assets		(5,042)				(5,042)
Total Nonoperating Revenues (Expenses)	62,609	330,245		2,252,818	31,731,858	34,377,530
Income (Loss) Before Operating Transfers	878,034	5,967,399	18,408,443	1,071,948	35,521,232	61,847,056
Operating Transfers Out		(8,295,000)	(20,000,000)			(28,295,000)
Net Income (Loss)	878,034	(2,327,601)	(1,591,557)	1,071,948	35,521,232	33,552,056
Beginning Retained Earnings, as Adjusted	3,026,675	6,894,838	19,370,956	30,336,396	139,006,872	198,635,737
Ending Retained Earnings	\$3,904,709	\$4,567,237	\$17,779,399	\$31,408,344	\$174,528,104	\$232,187,793

State of Idaho
Combining Statement of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 1997

	Correctional Industries	Liquor Dispensary	State Lottery	Petroleum Clean Water Trust	State Insurance Fund	Total
Increase (Decrease) in Cash and Cash Equivalents:						
Cash Flows from Operating Activities						
Receipts from Customers, Loan Interest and Fees	\$1,099,695	\$55,799,784	\$97,294,849	\$87,776	\$122,984,340	\$277,266,444
Receipts from State Agency Customers	4,824,924					4,824,924
Payments to Suppliers	(3,949,428)	(42,350,260)	(13,695,345)	(947,113)	(80,530,512)	(141,472,658)
Payments to Employees for Services and Benefits	(1,593,657)	(4,994,734)	(1,841,122)			(8,429,513)
Payments to State Agency Suppliers	(57,920)	(162,334)				(220,254)
Payments of Awards and Claims			(62,231,796)	(1,678,500)		(63,910,296)
Payments of Dividends to Policyholders					(33,502,035)	(33,502,035)
Net Cash Provided (Used) by Operating Activities	323,614	8,292,456	19,526,586	(2,537,837)	8,951,793	34,556,612
Cash Flows from Noncapital Financing Activities						
Operating Transfers Out		(8,295,000)	(20,000,000)			(28,295,000)
Net Cash Provided (Used) by Noncapital Financing Activities		(8,295,000)	(20,000,000)			(28,295,000)
Cash Flows from Capital and Related Financing Activities						
Proceeds from Disposition of Capital Assets		21,840		477		22,317
Acquisition and Construction of Capital Assets	(81,538)	(148,738)	(585,582)		(95,885)	(911,743)
Net Cash Provided (Used) by Capital and Related Financing Activities	(81,538)	(126,898)	(585,582)	477	(95,885)	(889,426)
Cash Flows from Investing Activities						
Receipt of Interest and Dividends	62,609	335,287			21,399,508	21,797,404
Purchase of Investments			(232,974)	(8,142,094)	(286,788,160)	(295,143,228)
Redemption of Investments	498,198			8,200,000	255,156,949	263,855,147
Investment Income				4,293,247		4,293,247
Other Investing Activities				13,478	(1,281,865)	(1,268,387)
Net Cash Provided (Used) by Investing Activities	560,807	335,287	(232,974)	4,364,631	(11,493,568)	(6,465,817)
Net Increase (Decrease) in Cash and Cash Equivalents	802,883	205,845	(1,291,970)	1,827,271	(2,637,660)	(1,093,631)
Beginning Cash and Cash Equivalents	604,235	4,941,598	19,475,575	303,648	32,274,238	57,599,294
Ending Cash and Cash Equivalents	\$1,407,118	\$5,147,443	\$18,183,605	\$2,130,919	\$29,636,578	\$56,505,663

State of Idaho
Combining Statement of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 1997

	Correctional Industries	Liquor Dispensary	State Lottery	Petroleum Clean Water Trust	State Insurance Fund	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	815,425	5,637,154	18,408,443	(1,180,870)	3,789,374	27,469,526
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Depreciation	186,978	29,269	722,163	3,990	643,091	1,585,491
(Increase) Decrease in Accounts Receivable, Net	(79,314)	16,004	204,893	118,334	127,431	387,348
(Increase) Decrease in Grand Prize Receivables				12,712		12,712
(Increase) Decrease in Due from Other Funds	(127,277)					(127,277)
(Increase) Decrease in Other Assets	133,638	(15,900)	(269,931)		498,020	345,827
Increase (Decrease) in Accounts Payable and Other Liabilities	(605,836)	2,625,929	(143,456)	(917)	11,421,846	13,297,566
Increase (Decrease) in Grand Prizes Payable			604,474			604,474
Increase (Decrease) in Policy Claim Liabilities				(1,491,086)	(7,527,969)	(9,019,055)
Total Adjustments	(491,811)	2,655,302	1,118,143	(1,356,967)	5,162,419	7,087,086
Net Cash Provided (Used) by Operating Activities	\$323,614	\$8,292,456	\$19,526,586	(\$2,537,837)	\$8,951,793	\$34,556,612

Noncash Transactions:

Noncash transactions are investing and financing activities that affect assets and liabilities but do not result in cash receipts or payments. The following noncash transaction occurred during the year: The State Lottery, an Enterprise Fund, reported grand prizes claimed in fiscal year 1997 for the amount of \$48,288,730. Annuities were purchased to settle the winning claims. The accretion of grand prize annuities receivable from the Multi-State Lottery Association, with a corresponding increase in the grand prizes payable, totaled \$5,542,808 for the current fiscal year.



This page intentionally left blank.

STATE OF IDAHO

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS account for the operation of state agencies which provide goods or services to other state agencies and other governmental units on a cost reimbursement basis. The following provides a brief description of operations included in these significant internal service funds.

The GENERAL SERVICES FUND accounts for statewide accounting, auditing, payroll and treasury services, surplus property redistribution and sale, copying services, purchasing, mail services for state agencies, and voice and data communication services.

The DATA PROCESSING SERVICE FUND accounts for data processing services provided by the Office of the State Controller to the various state agencies. In addition, the State Department of Education provides data processing services to local school districts and some state agencies.

The GROUP INSURANCE FUND administers the Group Insurance Act by providing health insurance to all state employees and optional coverage for dependents and retirees. The fund also provides life insurance and short and long term disability coverage.

The RISK MANAGEMENT FUND accounts for insurance coverage and loss prevention to all State agencies. Coverage is provided using an optimal combination of self-insurance and private excess insurance.

State of Idaho
Combining Balance Sheet
Internal Service Funds
June 30, 1997

	General Services	Data Processing Services	Group Insurance	Risk Management	Total
Assets					
Cash and Cash Equivalents	\$5,211,331	\$583,035	\$45,653,589	\$17,501,630	\$68,949,585
Accounts Receivable, Net	346,551	3,902		88,558	439,011
Due from Other Funds	895,517	579,255	3,882	4,370	1,483,024
Other Assets	619,015	501,596		88,559	1,209,170
Fixed Assets, Net	1,502,645	1,596,941			3,099,586
Total Assets	\$8,575,059	\$3,264,729	\$45,657,471	\$17,683,117	\$75,180,376
Liabilities and Fund Equity					
Liabilities					
Accounts Payable and Other Liabilities	\$2,525,095	\$315,323	\$1,982,834	\$271,761	\$5,095,013
Due to Other Funds	185,644	2,888	6,767	31,008	226,307
Deferred Revenue	18,202	8,915	5,218,854		5,245,971
Policy Claim Liabilities			15,200,595	11,083,133	26,283,728
Capital Leases	187,864	1,130,374			1,318,238
Total Liabilities	2,916,805	1,457,500	22,409,050	11,385,902	38,169,257
Fund Equity					
Contributed Capital	150,000	14,500			164,500
Retained Earnings:					
Unreserved	5,508,254	1,792,729	23,248,421	6,297,215	36,846,619
Total Fund Equity	5,658,254	1,807,229	23,248,421	6,297,215	37,011,119
Total Liabilities and Fund Equity	\$8,575,059	\$3,264,729	\$45,657,471	\$17,683,117	\$75,180,376

State of Idaho
Combining Statement of Revenues, Expenses and Changes in Retained
Internal Service Funds
For the Fiscal Year Ended June 30, 1997

	General Services	Data Processing Services	Group Insurance	Risk Management	Total
Operating Revenues					
Licenses, Permits and Fees	10,340				10,340
Sale of Services, Goods and Property	21,099,723	5,243,505	54,938,354	4,638,414	85,919,996
Rent and Lease Income	5,060,546				5,060,546
Miscellaneous Income	3,227,336	45,048	5,434,405	70,787	8,777,576
Total Operating Revenues	<u>29,397,945</u>	<u>5,288,553</u>	<u>60,372,759</u>	<u>4,709,201</u>	<u>99,768,458</u>
Operating Expenses					
Personnel Costs	12,573,901	2,335,257	143,374	250,670	15,303,202
General and Administrative	11,413,070	1,750,084	2,094,181	306,050	15,563,385
Travel	143,300	22,413	136	7,449	173,298
Supplies	794,121	304,870	4,197	12,617	1,115,805
Insurance, Utilities and Rent	1,602,306	6,471	16,377	1,352,337	2,977,491
Miscellaneous	458,619	18,508	631	413	478,171
Depreciation	435,846	1,457,874			1,893,720
Awards, Contributions and Claims			76,118,489	2,054,497	78,172,986
Total Operating Expenses	<u>27,421,163</u>	<u>5,895,477</u>	<u>78,377,385</u>	<u>3,984,033</u>	<u>115,678,058</u>
Operating Income (loss)	<u>1,976,782</u>	<u>(606,924)</u>	<u>(18,004,626)</u>	<u>725,168</u>	<u>(15,909,600)</u>
Nonoperating Revenues (Expenses)					
Interest Income	366,138	50,904	2,676,700	933,045	4,026,787
Interest Expense	(56,001)				(56,001)
Loss on Sale of Fixed Assets		(59,163)			(59,163)
Total Nonoperating Revenues(Expenses)	<u>310,137</u>	<u>(8,259)</u>	<u>2,676,700</u>	<u>933,045</u>	<u>3,911,623</u>
Income (Loss)Before Operating Transfers \	<u>2,286,919</u>	<u>(615,183)</u>	<u>(15,327,926)</u>	<u>1,658,213</u>	<u>(11,997,977)</u>
Operating Transfers Out	(1,697,859)		(7,499)	(7,500)	(1,712,858)
Net Income (Loss)	<u>589,060</u>	<u>(615,183)</u>	<u>(15,335,425)</u>	<u>1,650,713</u>	<u>(13,710,835)</u>
Beginning Retained Earnings, as Adjusted	<u>5,069,194</u>	<u>2,422,412</u>	<u>38,583,846</u>	<u>4,646,502</u>	<u>50,721,954</u>
Ending Retained Earnings	<u>\$5,658,254</u>	<u>\$1,807,229</u>	<u>\$23,248,421</u>	<u>\$6,297,215</u>	<u>\$37,011,119</u>

State of Idaho
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 1997

	General Services	Data Processing Services	Group Insurance	Risk Management	Total
Increase (Decrease) in Cash and Cash Equivalents:					
Cash Flows from Operating Activities					
Receipts from Customers, Loan Interest and Fees	\$3,460,028			\$4,714,511	\$8,174,539
Receipts from State Agency Customers	25,899,522	\$6,576,560	\$63,783,113		96,259,195
Payments to Suppliers	(12,232,258)	(3,187,127)	(74,950,223)	(1,912,132)	(92,281,740)
Payments to Employees for Services and Benefits	(12,613,894)	(2,349,793)	(148,400)	(253,354)	(15,365,441)
Payments to State Agency Suppliers	(2,736,472)	(43,807)	(51,033)	(60,826)	(2,892,138)
Payments of Awards and Claims				(2,300,779)	(2,300,779)
Net Cash Provided (Used) by Operating Activities	1,776,926	995,833	(11,366,543)	187,420	(8,406,364)
Cash Flows from Noncapital Financing Activities					
Operating Transfers Out	(1,697,859)		(7,499)	(7,500)	(1,712,858)
Net Cash Provided (Used) by Noncapital Financing Activities	(1,697,859)		(7,499)	(7,500)	(1,712,858)
Cash Flows from Capital and Related Financing Activities					
Proceeds from Disposition of Capital Assets	447				447
Acquisition and Construction of Capital Assets	(965,037)	(1,953,158)	(477)	(6,640)	(2,925,312)
Net Cash Provided (Used) by Capital and Related Financing Activities	(964,590)	(1,953,158)	(477)	(6,640)	(2,924,865)
Cash Flows from Investing Activities					
Receipt of Interest and Dividends	366,866	50,904	2,676,700	933,045	4,027,515
Net Cash Provided (Used) by Investing Activities	366,866	50,904	2,676,700	933,045	4,027,515
Net Increase (Decrease) in Cash and Cash Equivalents	(518,657)	(906,421)	(8,697,819)	1,106,325	(9,016,572)
Beginning Cash and Cash Equivalents	5,729,988	1,489,456	54,351,408	16,395,305	77,966,157
Ending Cash and Cash Equivalents	\$5,211,331	\$583,035	\$45,653,589	\$17,501,630	\$68,949,585

State of Idaho
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 1997

	General Services	Data Processing Services	Group Insurance	Risk Management	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	1,976,782	(606,924)	(18,004,626)	725,168	(15,909,600)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Depreciation	435,846	1,457,873			1,893,719
(Increase) Decrease in Accounts Receivable, Net	(182,164)	(3,650)	20	(88,558)	(274,352)
(Increase) Decrease in Due from Other Funds	(201,128)	(21,734)	21,261	93,867	(107,734)
(Increase) Decrease in Other Assets	(84,316)	(330,125)		(88,559)	(503,000)
Increase (Decrease) in Accounts Payable and Other Liabilities	(204,532)	1,299,095	24,498,617	(562,383)	25,030,797
Increase (Decrease) in Deferred Revenue	(44,508)	5,365	5,218,854		5,179,711
Increase (Decrease) in Due to Other Funds	191,143	559	6,536	(11,249)	186,989
Increase (Decrease) in Policy Claim Liabilities			(23,107,205)	119,134	(22,988,071)
Increase (Decrease) in Capital Leases	(110,197)	(804,626)			(914,823)
Total Adjustments	(199,856)	1,602,757	6,638,083	(537,748)	7,503,236
Net Cash Provided (Used) by Operating Activities	\$1,776,926	\$995,833	(\$11,366,543)	\$187,420	(\$8,406,364)

Noncash Transactions:

Noncash transactions are investing and financing activities that affect assets and liabilities but do not result in cash receipts or payments. The following noncash transactions occurred during the year: Internal Service Funds acquired fixed assets through capital leases in the amount of \$233,200.



This page intentionally left blank.

STATE OF IDAHO

TRUST AND AGENCY FUNDS

TRUST AND AGENCY FUNDS are fiduciary in nature and are maintained to account for assets held by the State acting in the capacity as trustee or agent. The following provides a brief description of the State's significant trust and agency funds:

The TRUST FUNDS:

The EXPENDABLE TRUST FUND Unemployment Compensation pays claims for unemployment to eligible recipients through employer contributions, employer reimbursements, and federal grants.

The NONEXPENDABLE TRUST FUNDS The Endowment Funds account for land grants and the sale or lease of such lands received from the federal Enabling Act. The principal in the fund is perpetual with the earnings used to support education, mental health, corrections, and public buildings.

The PENSION TRUST FUNDS account for transactions, assets, liabilities, and net assets available for plan benefits of the State's retirement systems.

The AGENCY FUNDS:

Joint Exercise of Powers accounts for deposits made with the State Treasurer for investment purposes by various state and local governmental entities.

The Sick Leave/Insurance Reserve Fund provides payment of postretirement health insurance premiums on behalf of former employees of state agencies and school districts in Idaho based on unused accumulated sick leave at their retirement date. The fund accounts for the receipts and disbursements related to the above.

Other Custodial accounts for the receipts and disbursements of monies collected by the State and distributed to other entities.

Payroll accounts for state and federal withholding, social security taxes, and voluntary employee deductions related to the State's payroll.

State of Idaho
Combining Balance Sheet
Trust and Agency Funds
June 30, 1997

	Expendable Trust Funds	Nonexpendable Trust Funds			
	Unemployment Compensation	Endowment Funds	Pension Trust Funds	Agency	Total
Assets					
Cash and Cash Equivalents	\$278,782,432	\$18,687,385	\$2,364,847	\$3,585,644	\$303,420,308
Investments	48,865,451	637,569,049	4,772,630,067	591,039,976	6,050,104,543
Accounts Receivable, Net	30,042,432	3,356,213	36,404,102	1,049,825	70,852,572
Notes and Mortgages Receivable		4,308,867			4,308,867
Other Assets			13,494,542		13,494,542
Fixed Assets, Net			4,335,287		4,335,287
Total Assets	\$357,690,315	\$663,921,514	\$4,829,228,845	\$595,675,445	\$6,446,516,119
Liabilities and Fund Balances					
Liabilities					
Accounts Payable and Other Liabilities	\$1,158,823	\$3,005,243	\$4,302,860	\$4,560,438	\$13,027,364
Deposits		18,652,613		36,689	18,689,302
Due to Other Governments				591,078,318	591,078,318
Deferred Revenue		7,136,404			7,136,404
Total Liabilities	1,158,823	28,794,260	4,302,860	595,675,445	629,931,388
Fund Balances					
Reserved for Employees' Pension Benefits			4,824,925,985		4,824,925,985
Reserved for Endowment Principal		635,127,254			635,127,254
Unreserved Fund Balance	356,531,492				356,531,492
Total Fund Balances	356,531,492	635,127,254	4,824,925,985		5,816,584,731
Total Liabilities and Fund Balances	\$357,690,315	\$663,921,514	\$4,829,228,845	\$595,675,445	\$6,446,516,119

State of Idaho
Combining Balance Sheet
Nonexpendable Trust Funds
June 30, 1997

	Public School Endowment	Pooled Endowments	Total Endowment Board	Endowment Other	Total Endowment
Assets					
Cash and Cash Equivalents	\$1,888	\$32,884	\$34,772	\$18,652,613	\$18,687,385
Investments	436,923,595	200,645,454	637,569,049		637,569,049
Accounts Receivable, Net	394,884	133,792	528,676	2,827,537	3,356,213
Notes and Mortgage Receivable				4,308,867	4,308,867
Total Assets	\$437,320,367	\$200,812,130	\$638,132,497	\$25,789,017	\$663,921,514
Liabilities and Fund Balance					
Liabilities					
Accounts Payable and Other Liabilities	\$2,092,066	\$913,177	\$3,005,243		\$3,005,243
Deposits				\$18,652,613	18,652,613
Deferred Revenue				7,136,404	7,136,404
Total Liabilities	2,092,066	913,177	3,005,243	25,789,017	28,794,260
Fund Balances					
Reserved for Endowment Principal	435,228,301	199,898,953	635,127,254		635,127,254
Total Fund Balances	435,228,301	199,898,953	635,127,254		635,127,254
Total Liabilities and Fund Balances	\$437,320,367	\$200,812,130	\$638,132,497	\$25,789,017	\$663,921,514

State of Idaho
Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1997

	Public School Endowment	Pooled Endowments	Total Endowment Board	Total Endowment
Operating Revenues				
Sale of Services, Goods and Property	40,215,717	14,152,535	54,368,252	54,368,252
Interest and Other Investment Income	418,951	601,029	1,019,980	1,019,980
Total Operating Revenues	<u>40,634,668</u>	<u>14,753,564</u>	<u>55,388,232</u>	<u>55,388,232</u>
Operating Income (Loss)	<u>40,634,668</u>	<u>14,753,564</u>	<u>55,388,232</u>	<u>55,388,232</u>
Net Income (Loss)	<u>40,634,668</u>	<u>14,753,564</u>	<u>55,388,232</u>	<u>55,388,232</u>
Fund Balances - Beginning of Year, as Adjusted	<u>394,593,633</u>	<u>185,145,389</u>	<u>579,739,022</u>	<u>579,739,022</u>
Fund Balances - End of Year	<u>\$435,228,301</u>	<u>\$199,898,953</u>	<u>\$635,127,254</u>	<u>\$635,127,254</u>



This page intentionally left blank.

State of Idaho
Combining Statement of Cash Flows
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1997

	Public School Endowment	Pooled Endowments	Total Endowment Board	Endowment Other	Total Endowment
Increase (Decrease) in Cash and Cash Equivalents:					
Cash Flows from Operating Activities					
Receipts from Customers, Loan Interest and Fees	\$40,213,829	\$15,065,712	\$55,279,541	\$1,297,265	\$56,576,806
Customer Refunds				(2,360,957)	(2,360,957)
Net Cash Provided (Used) by Operating Activities	40,213,829	15,065,712	55,279,541	(1,063,692)	54,215,849
Cash Flows from Investing Activities					
Receipt of Interest and Dividends	817,292	866,098,833	866,916,125		866,916,125
Purchase of Investments	(2,180,931,935)	(881,231,219)	(3,062,163,154)		(3,062,163,154)
Redemption of Investments	2,139,902,702		2,139,902,702		2,139,902,702
Net Cash Provided (Used) by Investing Activities	(40,211,941)	(15,132,386)	(55,344,327)		(55,344,327)
Net Increase (Decrease) in Cash and Cash Equivalents	1,888	(66,674)	(64,786)	(1,063,692)	(1,128,478)
Beginning Cash and Cash Equivalents	99,558		99,558	19,716,305	19,815,863
Ending Cash and Cash Equivalents	\$1,888	\$32,884	\$34,772	\$18,652,613	\$18,687,385

State of Idaho
Combining Statement of Cash Flows
Nonexpendable Trust Funds
For the Fiscal Year Ended June 30, 1997

	Public School Endowment	Pooled Endowments	Total Endowment Board
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	40,634,668	14,753,564	55,388,232
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
(Increase) Decrease in Accounts Receivable, Net	(420,839)	312,148	(108,691)
(Increase) Decrease in Notes and Mortgages Receivable			
Increase (Decrease) in Deferred Revenue			
Increase (Decrease) in Deposits			
Total Adjustments	(420,839)	312,148	(108,691)
Net Cash Provided (Used) by Operating Activities	\$40,213,829	\$15,065,712	\$55,279,541

Endowment Other	Total Endowment
0	55,388,232
3,667,394	3,558,703
749,309	749,309
(4,506,505)	(4,506,505)
(973,890)	(973,890)
(1,063,692)	(1,172,383)
(\$1,063,692)	\$54,215,849

State of Idaho
Combining Statement of Net Plan Assets
Pension Trust Funds
June 30, 1997

	Public Employee Retirement System of Idaho Plan	Firemen's Retirement Plan	Idaho Super Saver - 401(k) Plan	Judges' Retirement Plan	Total
Assets					
Cash and Cash Equivalents	\$2,227,005	\$75,077		\$62,765	\$2,364,847
Investments	4,574,261,358	154,208,680	\$4,882,283	39,277,746	4,772,630,067
Accounts Receivable, Net	34,907,101	1,098,407		398,594	36,404,102
Other Assets	13,494,542				13,494,542
Fixed Assets, Net	4,335,287				4,335,287
Total Assets	\$4,629,225,293	\$155,382,164	\$4,882,283	\$39,739,105	\$4,829,228,845
Liabilities					
Accounts Payable and Other Liabilities	4,158,552	125,529		18,779	4,302,860
Total Liabilities	4,158,552	125,529		18,779	4,302,860
Net Assets Held in Trust for Employees' Pension Benefit	\$4,625,066,741	\$155,256,635	\$4,882,283	\$39,720,326	\$4,824,925,985



This page intentionally left blank.

State of Idaho
Combining Balance Sheet
Agency Funds
June 30, 1997

	Joint Exercise of Powers	Other Custodial	Payroll	Sick Leave/ Reserve Fund	Total
Assets					
Cash and Cash Equivalents		\$3,083,333	\$472,870	\$29,441	\$3,585,644
Investments	\$524,967,753	2,003,659		64,068,564	591,039,976
Accounts Receivable, Net				1,049,825	1,049,825
Total Assets	<u>\$524,967,753</u>	<u>\$5,086,992</u>	<u>\$472,870</u>	<u>\$65,147,830</u>	<u>\$595,675,445</u>
Liabilities					
Accounts Payable and Other Liabilities	\$37,628	\$4,039,728	\$472,870	\$10,212	\$4,560,438
Deposits		36,689			36,689
Due to Other Governments	<u>\$24,930,125</u>	<u>1,010,575</u>		<u>65,137,618</u>	<u>591,078,318</u>
Total Liabilities	<u>\$524,967,753</u>	<u>\$5,086,992</u>	<u>\$472,870</u>	<u>\$65,147,830</u>	<u>\$595,675,445</u>

State of Idaho
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 1997

	Balance July 1, 1996	Additions	Deductions	Balance June 30, 1997
Joint Exercise of Powers				
Assets				
Cash and Cash Equivalents		\$89,830,742	\$89,830,742	
Investments	\$435,712,738	89,465,549	210,534	\$524,967,753
Total Assets	\$435,712,738	\$179,296,291	\$90,041,276	\$524,967,753
Liabilities				
Accounts Payable and Other Liabilities	\$17,451	\$3,679,298	\$3,659,121	\$37,628
Due to Other Funds	12,208		12,208	
Due to Other Governments	435,683,079	92,605,848	3,358,802	524,930,125
Total Liabilities	\$435,712,738	\$96,285,146	\$7,030,131	\$524,967,753
Other Custodial				
Assets				
Cash and Cash Equivalents	\$4,004,563	\$23,144,326	\$24,065,556	\$3,083,333
Investments	1,238,760	6,488,320	5,723,421	2,003,659
Total Assets	\$5,243,323	\$29,632,646	\$29,788,977	\$5,086,992
Liabilities				
Accounts Payable and Other Liabilities	\$3,764,282	\$24,871,672	\$24,596,226	\$4,039,728
Deposits	36,689			36,689
Due to Other Funds	16,539		16,539	
Due to Other Governments	1,425,813	4,798,337	5,213,575	1,010,575
Total Liabilities	\$5,243,323	\$29,670,009	\$29,826,340	\$5,086,992
Payroll				
Assets				
Cash and Cash Equivalents	\$456,153	\$834,733,338	\$834,716,621	\$472,870
Total Assets	\$456,153	\$834,733,338	\$834,716,621	\$472,870
Liabilities				
Accounts Payable and Other Liabilities	\$456,153	\$834,708,338	\$834,691,621	\$472,870
Total Liabilities	\$456,153	\$834,708,338	\$834,691,621	\$472,870

	Balance July 1, 1996	Additions	Deductions	Balance June 30, 1997
Sick Leave/Insurance Reserve Fund				
Assets				
Cash and Cash Equivalents	\$46,353	\$10,883,238	\$10,900,150	\$29,441
Investments	48,713,737	15,354,827		64,068,564
Accounts Receivable, Net	893,263	11,020,392	10,863,830	1,049,825
Total Assets	\$49,653,353	\$37,258,457	\$21,763,980	\$65,147,830
Liabilities				
Accounts Payable and Other Liabilities	\$13,113	\$45,962	\$48,863	\$10,212
Due to Other Governments	49,640,240	18,852,626	3,355,248	65,137,618
Total Liabilities	\$49,653,353	\$18,898,588	\$3,404,111	\$65,147,830
Total for All Agency Funds				
Assets				
Cash and Cash Equivalents	\$4,507,069	\$958,591,644	\$959,513,069	\$3,585,644
Investments	485,665,235	111,308,696	5,933,955	591,039,976
Accounts Receivable, Net	893,263	11,020,392	10,863,830	1,049,825
Total Assets	\$491,065,567	\$1,080,920,732	\$976,310,854	\$595,675,445
Liabilities				
Accounts Payable and Other Liabilities	\$4,250,999	\$863,305,270	\$862,995,831	\$4,560,438
Deposits	36,689			36,689
Due to Other Funds	28,747		28,747	
Due to Other Governments	486,749,132	116,256,811	11,927,625	591,078,318
Total Liabilities	\$491,065,567	\$979,562,081	\$874,952,203	\$595,675,445



This page intentionally left blank.

STATE OF IDAHO

COLLEGE AND UNIVERSITY FUNDS

COLLEGE AND UNIVERSITY FUNDS account for the financial position and operations of the State's colleges and universities in accordance with existing authoritative accounting and reporting principles as prescribed in the AICPA Industry Guide. Accordingly, college and university funds are an aggregation of the following funds:

STUDENT LOAN FUNDS account for transactions of related resources obtained and used for loans to students.

ENDOWMENT FUNDS account for resources, held by the institutions, that must be administered in accordance with trust agreements.

PLANT FUNDS account for resources available for acquisition, renewal and replacement of institutional properties, resources available to service debt incurred to acquire such properties, and the fixed assets acquired or constructed for use by the institutions.

AGENCY FUNDS account for amounts held in custody for students, institution-related organizations, and others.

The CURRENT FUNDS account for resources that will be expended for performing the primary and support objectives of the institution, i.e., instruction, academic support, student services, institutional support, operations and maintenance of plant, scholarships and fellowships, and auxiliary activities.

State of Idaho
Combining Balance Sheet
All College and University Funds
June 30, 1997

	Current Funds			Student Loan	Endowment	Plant	Agency	Total
	Unrestricted	Auxiliary	Restricted					
Assets								
Cash and Cash Equivalents	\$26,147,260	\$8,298,855	\$473,335	\$1,096,210	\$4,632,616	\$14,416,838	\$238,361	\$55,303,475
Investments	20,097,926			1,067,557	58,988,842	35,660,049	5,003,770	120,818,144
Accounts Receivable, Net	21,635,114	1,982,930	18,999,459	390,383	191,391	869,688	494,226	44,563,191
Due from Other Funds	9,403,777	2,248,872	1,297,622	78,390	4,484	3,169,077	2,388	16,204,610
Deferred Bond Financing Costs						2,178,128		2,178,128
Notes and Mortgages Receivable				19,246,812	1,530,872			20,777,684
Other Assets	2,648,322	3,409,299		1,041	1,791,978			7,850,640
Fixed Assets, Net						786,017,775		786,017,775
Total Assets	\$79,932,399	\$15,939,956	\$20,770,416	\$21,880,393	\$67,140,183	\$842,311,555	\$5,738,745	\$1,053,713,647
Liabilities and Fund Balances								
Liabilities								
Accounts Payable and Other Liabilities	\$35,243,426	\$2,736,220	\$5,556,486	\$10,567	\$309,053	\$2,314,499	\$5,738,115	\$51,908,366
Deposits	4,405	564,484		69,115				638,004
Due to Other Funds	3,988,551	2,053,604	8,168,652	72,500	1,918,962	1,711	630	16,204,610
Deferred Revenue	6,361,352	367,011						6,728,363
Notes, Bonds and Contracts Payable						135,690,581		135,690,581
Capital Leases						5,787,182		5,787,182
Total Liabilities	45,597,734	5,721,319	13,725,138	152,182	2,228,015	143,793,973	5,738,745	216,957,106
Fund Balance								
Investment in General Fixed Assets						644,540,011		644,540,011
Unreserved Fund Balance	34,334,665	10,218,637	7,045,278	21,728,211	64,912,168	53,977,571		192,216,530
Total Fund Balance	34,334,665	10,218,637	7,045,278	21,728,211	64,912,168	698,517,582		836,756,541
Total Liabilities and Fund Balances	\$79,932,399	\$15,939,956	\$20,770,416	\$21,880,393	\$67,140,183	\$842,311,555	\$5,738,745	\$1,053,713,647

The accompanying notes are an integral part of the financial statements.



This page intentionally left blank.

COMPONENT UNITS



“PAYETTE LAKE”

photo by J.D. Williams

Payette Lake, In McCall
is one of Idaho's 2,000 lakes and
93,000 miles of rivers stretching across
Idaho which offer challenging or relaxing
water recreation opportunities. Three hundred of
Idaho's lakes are alpine lakes, hidden in the high country.



This page intentionally left blank.

STATE OF IDAHO

DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY FUNDS

The **DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY FUNDS** - are organizations which are legally separate from the State of Idaho for which the State is financially accountable, or for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete.

IDAHO LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION. The Idaho Life and Health Insurance Guaranty Association is a nonprofit organization formed by the Idaho Life and Health Insurance Guaranty Association Act of 1977. The Act was passed to provide a mechanism for the payment of covered claims under certain insurance policies where the insurer becomes insolvent. The act applies to direct and supplemental life and health policies and annuity contracts. All insurance companies which sell the type of insurance covered under the Act are required to be members of the Association as a condition of their authority to transact insurance business in Idaho.

IDAHO HOUSING AND FINANCE ASSOCIATION. The Idaho Housing and Finance Association is empowered by Idaho Code Chapter 62, Title 67, to issue notes and bonds in furtherance of its purpose of providing safe and sanitary housing for persons of limited income residing in the State of Idaho

State of Idaho
Combining Balance Sheet
Discretely Presented Component Units - Proprietary Funds
June 30, 1997

	Idaho Housing and Finance Association	Idaho Life and Health Insurance Guaranty Association	Total
Assets			
Cash and Cash Equivalents	\$28,502,000	\$228,926	\$28,730,926
Investments	285,033,000	13,869,955	298,902,955
Accounts Receivable, Net		66,485	66,485
Deferred Bond Financing Costs	15,678,000		15,678,000
Notes and Mortgages Receivable	993,772,000		993,772,000
Other Assets	1,255,000	2,855	1,257,855
Fixed Assets, Net	9,022,000	1,101	9,023,101
Total Assets	\$1,333,262,000	\$14,169,322	\$1,347,431,322
Liabilities and Fund Equity			
Liabilities			
Accounts Payable and Other Liabilities	\$3,643,000	\$870,990	\$4,513,990
Deposits	15,982,000		15,982,000
Deferred Revenue		4,365	4,365
Notes, Bonds and Contracts Payable	1,204,192,000		1,204,192,000
Policy Claim Liabilities		15,000	15,000
Total Liabilities	1,223,817,000	890,355	1,224,707,355
Fund Equity			
Retained Earnings:			
Reserved for Bond Indentures	33,706,000		33,706,000
Unreserved	75,739,000	13,278,967	89,017,967
Total Fund Equity	109,445,000	13,278,967	122,723,967
Total Liabilities and Fund Equity	\$1,333,262,000	\$14,169,322	\$1,347,431,322

State of Idaho
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Discretely Presented Component Units - Proprietary Funds
For the Fiscal Year Ended June 30, 1997

	Idaho Housing and Finance Association	Idaho Life and Health Insurance Guaranty Association	Total
Operating Revenues			
Licenses, Permits and Fees	5,432,000	3,373,495	8,805,49 5
Sale of Services, Goods and Property		45,385	45,38 5
Interest and Other Investment Income	66,693,000		66,693,000
Miscellaneous Income	908,000	588,863	1,496,86 3
Total Operating Revenues	73,033,000	4,007,743	77,040,74 3
Operating Expenses			
Personnel Costs	3,929,000	91,820	4,020,82 0
General and Administrative	3,058,000	63,667	3,121,66 7
Insurance, Utilities and Rent		10,850	10,85 0
Depreciation	350,000	1,134	351,13 4
Awards, Contributions and Claims		653,607	653,60 7
Total Operating Expenses	7,337,000	821,078	8,158,07 8
Operating Income (Loss)	65,696,000	3,186,665	68,882,665
Nonoperating Revenues (Expenses)			
Interest Income		656,879	656,87 9
Investment Income	15,358,000		15,358,000
Interest Expense	(69,820,000)		(69,820,000)
Other	(2,187,000)		(2,187,000)
Total Nonoperating Revenues (Expenses)	(56,649,000)	656,879	(55,992,121)
Net Income (Loss)	9,047,000	3,843,544	12,890,544
Beginning Retained Earnings, as Adjusted	100,398,000	9,435,423	109,833,423
Ending Retained Earnings	\$109,445,000	\$13,278,967	\$122,723,967

State of Idaho
Combining Statement of Cash Flows
Discretely Presented Component Units - Proprietary Funds
For the Fiscal Year Ended June 30, 1997

	Idaho Housing and Finance Association	Idaho Life and Health Insurance Guaranty Association	Total
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities			
Receipts from Customers, Loan Interest and Fees	\$74,622,000	\$3,787,690	\$78,409,690
Loan Principal Payments	73,849,000		73,849,000
Payments to Suppliers	(5,325,000)		(5,325,000)
Payments to Employees for Services and Benefits	(3,929,000)		(3,929,000)
Payments of Awards and Claims		(128,874)	(128,874)
Loan Principal Additions	(226,616,000)		(226,616,000)
Net Cash Provided (Used) by Operating Activities	(87,399,000)	3,658,816	(83,740,184)
Cash Flows from Noncapital Financing Activities			
Deferred Bond Financing Cost	(3,552,000)		(3,552,000)
Interest Paid	(64,533,000)		(64,533,000)
Payment of Bonds	(96,704,000)		(96,704,000)
Bonds Issued	250,000,000		250,000,000
Net Cash Provided (Used) by Noncapital Financing Activities	85,211,000		85,211,000
Cash Flows from Capital and Related Financing			
Acquisition and Construction of Capital Assets	(476,000)		(476,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	(476,000)		(476,000)
Cash Flows from Investing Activities			
Purchase of Investments	(843,269,000)	(3,942,815)	(847,211,815)
Redemption of Investments	829,241,000		829,241,000
Other Investing Activities	15,633,000		15,633,000
Net Cash Provided (Used) by Investing Activities	1,605,000	(3,942,815)	(2,337,815)
Net Increase (Decrease) in Cash and Cash Equivalents	(1,059,000)	(283,999)	(1,342,999)
Beginning Cash and Cash Equivalents	29,561,000	512,925	30,073,925
Ending Cash and Cash Equivalents	<u>\$28,502,000</u>	<u>\$228,926</u>	<u>\$28,730,926</u>

State of Idaho
Combining Statement of Cash
Discretely Presented Component Units - Proprietary
For the Fiscal Year Ended June 30, 1997

	Idaho Housing and Finance Association	Idaho Life and Health Insurance Guaranty Association	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$65,696,000	\$3,186,665	\$68,882,665
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Amortization of Deferred Loan Discounts	(2,190,000)		(2,190,000)
Depreciation	350,000	1,134	351,134
(Increase) Decrease in Accounts Receivable, Net	(920,000)	(55,680)	(975,680)
(Increase) Decrease in Notes and Mortgages Receivable	73,849,000		73,849,000
(Increase) Decrease in Other Assets	713,000		713,000
(Increase) Decrease in Customer Loan Principal	(226,616,000)		(226,616,000)
Increase (Decrease) in Accounts Payable and Other Liabilities		526,697	526,697
Increase (Decrease) in Interest Payable	(77,000)		(77,000)
Increase (Decrease) in Deposits	1,796,000		1,796,000
Total Adjustments	(153,095,000)	472,151	(152,622,849)
Net Cash Provided (Used) by Operating Activities	(\$87,399,000)	\$3,658,816	(\$83,740,184)